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IDAHO PUBLIC
UTILITIES COMMISSION

J-U-B ENGINEERS, Inc.
ENGINEERS • SURVEYORS • PLANNERS

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March 1, 2002

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

RE: Case No. GNR-E-02-1

Dear Commissioners:

I am a Vice President and Regional Manager for J-U-B ENGINEERS, Inc. (J-U-B), working out of our Twin Falls, Idaho office.

During the 1980's and early 1990's, J-U-B was one of the Idaho-based firms that provided professional engineering services for over fifty (50) PURPA, QF hydroelectric projects. Our services consisted of licensing, design, construction engineering, and operation assistance. Many of those projects were built and have been on line for going on 20 years. They have proven, contrary to misinformation, to be reliable and cost competitive.

J-U-B also has been involved in providing engineering services for over twenty (20) large dairies in Southern Idaho. Many of the dairy owners have been very interested in producing electricity utilizing methane gas from anaerobic digesters. This would be beneficial for manure management as well as odor control. Producing and selling electricity from these facilities could help defray the construction and operation cost, and solve environmental problems.

It is apparent to me, and I am sure you, that as the Idaho Power Company completes the re-licensing of their hydroelectric projects, generation will be reduced because of required environmental mitigation. This will both absorb any surplus of electricity and raise the cost of production at those projects.

In Southern Idaho there is probably up to 80 megawatts of capacity that is still available on seasonal irrigation canal systems. This capacity would be environmentally benign and possibly could qualify for low impact hydropower institute certification. This could allow the power to meet green energy requirements. Peak power production of the canal system projects are at high power demand periods in the summer. This is very positive for the Idaho Power grid.





Engineers Surveyors Planners

The canal system hydroelectric projects and the dairy anaerobic digester projects should be developed. This would not only benefit the local economy, but would also help stabilize rates so the ratepayers do not see the large variations that are now being experienced. Long-term stable rates would be of significant help to Idaho's economy.

In order for the above positive projects to be developed, the following is needed:

1. Long term (20 year) fixed rate contracts for projects up to ten megawatts.
2. Avoided cost rates determined over the term of the contract and equal to the life of Idaho Power's new resources.
3. Standardized contract terms.
4. Standardized interconnection terms and conditions.
5. Avoided cost rates determined using Idaho Power's actual new plant additions for avoided cost rate calculations.

I appreciate your consideration and hope that the above items will be approved by the Idaho Public Utility Commission. This would be a very positive thing for Southern Idaho and the ratepayers.

Please call me at (208) 733-2414 if you have any questions or would like to discuss my comments.

Sincerely,

J-U-B ENGINEERS, Inc.

A handwritten signature in black ink, appearing to read 'D.W. Block'.

D.W. "Bill" Block, P.E.
Regional Manager

cc: Robert J. Lafferty, Avista Corporation
Mark Widmer, Pacificorp
John M. Eriksson, Pacificorp
Barton L. Kline, Idaho Power Company

